

**CALENDAR ITEM
C123**

A Statewide

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**REQUEST AUTHORITY FOR EXECUTIVE OFFICER
TO SOLICIT STATEMENTS OF INTEREST FOR ELECTRICAL ENGINEERING
SERVICES, NEGOTIATE FAIR AND REASONABLE PRICE, AWARD AND EXECUTE
NECESSARY AGREEMENTS FOR CONDUCTING ELECTRICAL SYSTEMS SAFETY
ANALYSIS AT STATE LEASE OIL AND GAS PRODUCTION FACILITIES**

PARTY:

California State Lands Commission
100 Howe Avenue, Suite 100 South
Sacramento, CA 95825-8202

BACKGROUND:

The Commission (CSLC) conducts Safety and Oil Spill Prevention Audits of its offshore islands and platforms and related onshore facilities on a five year periodic basis, in accordance with industry guidelines and federal regulations for process safety management. The audits are a comprehensive evaluation of the platform or facility that augment the CSLC monthly inspection program by performing physical examination and technical evaluations of systems, equipment, and programs that are impracticable to perform at the monthly inspection. The objective of the Safety and Oil Spill Prevention Audit (Safety Audit) is to ensure that the oil and gas production facilities are operated in a safe and environmentally sound manner and comply with federal, state and local codes, regulations, and permits governing facility operation and pollution prevention, as well as industry best practices and standards. Completion of every Safety Audit represents a significant achievement in improving safety and preventing pollution at these facilities.

PROPOSED ACTIVITY:

An electrical engineer will be required to perform the electrical systems safety analysis portion of each Safety Audit of state oil and gas lease offshore platforms, islands, and other upland sites and onshore facilities that process the oil and gas from the offshore wells. A key part of any offshore platform or facility safety audit is the electrical team portion that evaluates the physical condition,

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maintenance, safe operation, proper design, and National and California Electrical Code compliance. The electrical engineer will evaluate the maintenance and condition of electrical systems on these facilities, compliance with National Electric Codes (NEC) and California Electric Code (CEC), CSLC regulations, other appropriate industry standards from NFPA, and API Recommended Practices.

The Executive Officer requests delegation of authority to engage a licensed engineer/firm to perform the evaluation of the electrical systems as part of safety and oil spill prevention audits. A multi-year agreement is anticipated to cover several audits providing services on demand. Such expertise is not available on staff and the work is of such occasional and limited duration that a staff position cannot be justified. Consultant selection shall be conducted consistent with procedures as specified in CSLC Regulations and in the State Contracting Manual on the basis of demonstrated competence and qualifications for the types of services to be performed and at a fair and reasonable price. Funding is available specifically for this purpose in the Commission's baseline budget.

OTHER PERTINENT INFORMATION:

1. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines [Title 14, California Code of Regulations, section 15060(c)(3)], the staff has determined that this activity is not subject to the provisions of the CEQA because it is not a "project" as defined by the CEQA and the State CEQA Guidelines.

Authority: Public Resources Code section 21065 and Title 14, California Code of Regulations, sections 15060 (c)(3) and 15378.

STATUTORY AND OTHER REFERENCES:

- A. Public Resources Code Section 6106 (Delegation to execute written instruments)
- B. State Contracts Manual Section 11.00 (A & E method)
- C. Public Contract Code Section 6106
- D. Government Code Section 4526
- E. Government Code Section 19130
- F. California Administrative Code Title 2 Article 13 Section 2980.0 - 2990.0
- G. Public Resources Code Sections 8757

IT IS RECOMMENDED THAT THE COMMISSION:

1. Find that the activity is not subject to the requirements of CEQA pursuant to Title 14, California Code of Regulations, Section 15060(c)(3) because

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the activity is not a project as defined by Public Resources Code Section 21065 and Title 14, California Code of Regulations, Section 15378.

2. Find that the services are of limited duration and are of such urgent, temporary and occasional nature that the delay in their implementation under civil service would frustrate their very purpose as specified in Government Code Section 19130 (b) (10).
3. Find that the selection of consultants under this process does not affect small businesses as defined in Government Code Section 11342.610, because they will be accorded equal opportunity to submit statements of qualifications and performance data.
4. Find that the selection of consultants under this process for professional services of architectural, landscape architectural, engineering, environmental, land surveying or construction project management services will be consistent with procedures and policies adopted by the Commission as specified in Government Code Section 4526 and Title 2, California Code of Regulations 2980 –2980.9.
5. Authorize the Executive Officer or his designee to solicit statements of interest, negotiate a fair and reasonable price, award and execute contracts for conducting electrical systems safety analysis audit in accordance with State policies and procedures.